

Old Mutual Limited
(Incorporated in the Republic of South Africa)
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("Old Mutual")

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COMPLETION OF THE UNBUNDLING BY OLD MUTUAL OF THE MAJORITY OF ITS SHAREHOLDING IN NEDBANK GROUP LIMITED, THE FINAL STEP IN THE MANAGED SEPARATION OF THE OLD MUTUAL PLC GROUP

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Completion of the unbundling of Nedbank Group Limited and the managed separation of Old Mutual plc

Old Mutual shareholders ("**Shareholders**") are referred to the announcements published on the Stock Exchange News Services of the JSE Limited ("**JSE**") ("**SENS**"), the London Stock Exchange, the Malawi Stock Exchange, the Namibian Stock Exchange and the Zimbabwe Stock Exchange dated 26 September 2018 and 11 October 2018 respectively ("**Announcements**"), wherein it was announced that Old Mutual will unbundle the majority of its shareholding in the issued share capital of Nedbank Group Limited ("**Nedbank**") to its Shareholders on Monday, 15 October 2018 ("**Unbundling**").

Shareholders are advised that Old Mutual has successfully completed the Unbundling as stipulated in the Announcements. This marks the completion of the final step in the managed separation of the Old Mutual plc group, as initially announced by Old Mutual plc in March 2016 ("**Managed Separation**"). Following the Unbundling Old Mutual has retained (in its shareholder funds) a minority stake of 19.9% of the issued share capital of Nedbank, held directly by Old Mutual Life Assurance Company (South Africa) Limited, an indirect wholly-owned subsidiary of Old Mutual. This stake in Nedbank underpins Old Mutual's long term strategic relationship with Nedbank and the mutually beneficial arm's length commercial arrangements between Old Mutual and Nedbank.

Pursuant to the Unbundling, each eligible Shareholder has received 3.21176 ordinary shares in Nedbank (listed on the JSE and the Namibian Stock Exchange) ("**Unbundled Nedbank Shares**"), for every 100 Old Mutual shares held on the relevant securities register of Old Mutual as at 5.00 p.m. (SA time) / 4.00 p.m. (UK time) on Friday, 12 October 2018.

Old Mutual believes that the Managed Separation has facilitated significant long-term value unlock for its Shareholders. The Managed Separation has allowed each business - Old Mutual, Quilter plc (formerly, Old Mutual Wealth), BrightSphere Investment Group (formerly, Old Mutual Asset Management) and Nedbank to operate independently within their respective domestic markets and focus on their individual businesses, free from the costs and constraints of a larger group structure. Each of these businesses now has easier access to capital markets to fund growth opportunities and can be valued more appropriately.

Cash Proceeds of Fractional Entitlements

As outlined in the Announcements, fractional entitlements to Unbundled Nedbank Shares will be rounded down to the nearest whole number and the aggregated fractions of the Unbundled Nedbank Shares to which a Shareholder is entitled will be sold in the market as soon as practicable after the Unbundling. Shareholders will accordingly receive monetary compensation in respect of their fractional entitlements to Unbundled Nedbank Shares ("**Cash Proceeds**"), which has been determined in accordance with the Listings Requirements of the JSE ("**Listing Requirements**").

Shareholders on Old Mutual's Namibian register, Malawian register, UK branch register and the Zimbabwean register will be paid the local currency cash equivalents of the Cash Proceeds. The Cash Proceeds will be converted to local currency at the effective rates disclosed in the Announcement dated 11 October 2018.

FTSE/JSE Africa Index changes

It was announced by the JSE on SENS on 5 October 2018 that, subject to the completion of the Unbundling, Nedbank will remain in the FTSE/JSE Top 40 Index ("**JSE Top 40**") with an increased investibility weighting of 74.20018%, previously 43.24603%. It was further stated that Nedbank will remain in the FTSE/JSE Shareholder Weighted All Share Index ("**SWIX Index**") with an increased investibility weighting of 74.20018%, previously 43.24603%. A capital repayment will be applied to Old Mutual to reflect the value of the Unbundling. These changes were implemented with effect from 10 October 2018. No other changes will be effected as a result of the Unbundling.

Furthermore, on 5 September 2018 the JSE announced, as part of its quarterly review, the constituent free float and share issue changes applied with effect from 25 September 2018. Old Mutual will remain in the SWIX Index with an increased investibility weighting of 71.98654%, previously 61.51652%.

Nedbank odd-lot offer

Shareholders are further referred to the announcement released by Nedbank on SENS on Monday, 15 October 2018 ("**Nedbank Announcement**") wherein Nedbank confirmed its intention to implement an odd-lot offer ("**Odd-lot Offer**") following the Nedbank Unbundling in accordance with the timetable contained in the said announcement, subject to all requisite approvals and in accordance with Listings Requirements, to all eligible Nedbank shareholders holding less than 100 Nedbank ordinary shares ("**Odd-lot Holders**").

Old Mutual would like to draw Shareholders' attention to paragraph 4 of the Nedbank Announcement, outlining the Odd-lot Offer mechanics. Odd-Lot Holders that wish to retain their Nedbank ordinary shares must specifically make an election to do so. Those Odd-lot Holders who do not make an election will automatically be regarded as having accepted the Odd-lot Offer and chosen to dispose of their

Nedbank ordinary shares to Nedbank and will receive the cash consideration as set out in the Nedbank Announcement.

Sponsors:

Merrill Lynch South Africa Proprietary Limited, Johannesburg Stock Exchange sponsor
Stockbrokers Malawi Limited, Malawi Stock Exchange sponsor
PSG Wealth Management (Namibia) Proprietary Limited, Namibian Stock Exchange sponsor
Imara Edwards Securities (Private) Limited, Zimbabwe Stock Exchange sponsor

Joint Financial Advisers:

Merrill Lynch South Africa Proprietary Limited
Rothschild (South Africa) Proprietary Limited

Legal advisers:

Webber Wentzel, South African legal adviser
Linklaters LLP, legal adviser with respect to English law and U.S. law

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The information contained in this announcement constitutes factual information as contemplated in section 1(3)(a) of the South African Financial Advisory and Intermediary Services Act, 37 of 2002 (as amended) ("FAIS Act") and should not be construed as an express or implied recommendation, guide or proposal that any particular transaction in respect of the Old Mutual shares or the Unbundled Nedbank Shares or in relation to the business or future investments of Old Mutual or Nedbank is appropriate to the particular investment objectives, financial situations or needs of a prospective investor, and nothing in this announcement should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa.

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Enquiries:

Investor Relations
Patrick Bowes
(Interim Head of Investor Relations)

T: +44 (0)20 7002 7440
E: Patrick.bowes@omg.co.uk

Communications:
Tabby Tsengiwe

T: +27 (11) 217 1953
M: +27 (0)60 547 4947
E: ttsengiwe@oldmutual.com

Notes to Editors
About Old Mutual

Old Mutual is a premium African financial services group that offers a broad spectrum of financial solutions to retail and corporate customers across key markets segments in 17 countries. Old Mutual's primary operations are in South Africa and the rest of Africa, and it has niche businesses in Latin America and Asia. With over 173 years of heritage across sub-Saharan Africa, we are a crucial part of the communities we serve and broader society on the continent.

For further information on Old Mutual, and its underlying businesses, please visit the corporate website at www.oldmutual.com.